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In re Application of
Wolf et al.
Application No. 10/823,941
Filed: 04/14/2004
Attorney Docket No. 70830.01

OFFICE OF PETITIONS
ON PETITION

This is a decision on the "PETITION FOR REVIVAL OF AN APPLICATION FOR PATENT ABANDONED UNDER 37 CFR 1.137(a)," filed December 3, 2006.

The application became abandoned on September 24, 2006, for failure to timely submit the issue fee as required by the Notice of Allowance and Fee(s) mailed on June 23, 2006, which set a three (3) month statutory period for reply. On July 7, 2006, petitioners submitted a Fee(s) Transmittal form, authorizing the USPTO to charge the issue and publication fees to counsel's deposit account. The deposit account, however, did not contain a sufficient balance to charge the issue fee. On October 4, 2006, the Office mailed a Notice of Abandonment. On October 25, 2006, petitioners filed a petition to withdraw the holding of abandonment, which was dismissed by the decision of November 13, 2006. On December 3, 2006, petitioners filed the present petition.

In the present petition, petitioners asserted:

Attorney for the Application had a large number of transactions under his Deposit Account during the month of July (see Exhibit C of the Petition dated October 25, 2006). On July 10, 2006 a publication fee of \$300.00 for patent application 10/823,941 was charged to the Attorney's Deposit Account. A review of this account on this day shows that the issue could have been charged instead of the publication fee and the publication fee charge later (even the very next day). Also, it is unknown by this Attorney or others what day charges will be made to our Deposit Accounts and in our

experience, there is no standard policy regarding this issue. On July 11, the Attorney's Deposit Account was replenished with \$999.00. A total of \$9499 was replenished during this month in this sole practitioner's Deposit account which maintained an ending balance of \$2013,98, which was sufficient for issue fee of \$700.00.

Petition pp. 2-3. A grantable petition to revive an abandoned application under 37 CFR 1.137(a) must be accompanied by:

- (1) The reply required to the outstanding Office action or notice, unless previously filed.
- (2) The petition fee as set forth in 37 CFR 1.17(1);
- (3) A statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition was unavoidable; and,
- (4) Any terminal disclaimer (and fee set forth in § 1.20(d)) required pursuant to § 1.137(d).

This petition did not meet requirement (3) above.

The Director may revive an abandoned application if the delay in responding to the relevant outstanding Office requirement is shown to the satisfaction of the Director to be "unavoidable" 35 U.S.C. § 133. Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word 'unavoidable' . . . is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them in the exercise of this care to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present.

In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-68 (D.D.C. 1963), aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913). In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account." Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). Finally, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable." Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987).

Petitioners' arguments have been considered, but are not persuasive. A close review of Office financial records reveals that on July 7, 2006, the deposit account balance fell below the \$1,000.00 amount required for payment of both the issue and publication fees, before being replenished. Specifically, on July 7, 2006, the deposit account maintained a balance of \$437.98. As such, insufficient funds were in the deposit account at time the Office attempted to charge the issue fee.

Pursuant to 37 CFR 1.25(a),

A minimum deposit of \$1,000 [in the deposit account] is required for paying any fee due or in ordering any services offered by the Office. . . . At the end of each month, a deposit account statement will be rendered. A remittance must be made promptly upon receipt of the statement to cover the value of items or services charged to the account and thus restore the account to its established normal deposit value. An amount sufficient to cover all fees, services, copies, etc., requested must always be on deposit. Charges to accounts with insufficient funds will not be accepted. A service charge (§ 1.21(b)(2)) will be assessed for each month that the balance at the end of the month is below \$1,000.

37 CFR 1.25(b) states that the issue and publication fees may be charged against the deposit account if sufficient funds are on deposit to cover such fees. An authorization to charge a fee to a deposit account will not be considered payment of the fee on the date the authorization to charge the fee is effective as to the particular fee to be charged unless sufficient funds are present in the account to cover the fee. Id. The Office expects that an

applicant will take reasonable precautions in all cases to avoid overdrafts. MPEP 509.01.

While the Office attempts to notify an applicant of any fee deficiency in a manner permitting a timely correction, the Office is under no obligation to do such. See In re Sivertz, 227 USPQ 255, 256 (Comm'r Pat. 1985); see also In re Colombo, Inc., 33 USPQ2d 1530, 1532 (Comm'r Pat. 1994) (while the Office attempts to notify applicants of deficiencies in their responses in a manner permitting a timely correction, the Office has no obligation to notify parties of deficiencies in their responses in a manner permitting a timely correction). Nevertheless, the Office provided counsel with monthly deposit account statements for this application, which showed that the Office only charged the \$300.00 publication fee (not the issue fee) during the three-month statutory period for reply.

An applicant is ultimately responsible for ensuring that a proper and timely reply to an outstanding Office action is file with the USPTO. Furthermore, it is an applicant's responsibility to take reasonable precautions in all cases to avoid overdrafts and to make certain that the deposit account contains the required minimum deposit of \$1,000.00 when authorizing the payment of any fees due.

As petitioners did not ensure that an adequate balance was present to pay the issue fee, the application was properly held abandoned. Furthermore, petitioners' failure to keep sufficient funds in the deposit account constitutes an avoidable mistake.

Petitioners have not provided a sufficient showing to the satisfaction of the Director that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to 37 CFR 1.137(a) was unavoidable. Accordingly, the petition under 37 CFR 1.137(a) is dismissed.

Any request for reconsideration of this decision must be submitted within **TWO (2) MONTHS** from the mail date of this decision. The reconsideration request should include a cover letter entitled "Renewed Petition under 37 CFR 1.137(a)." Extensions of time are permitted under 37 CFR 1.136(a).

While the showing of record is not sufficient to establish to the satisfaction of the Director that the delay was unavoidable, petitioners may wish to seek relief by filing a petition under

37 CFR 1.137(b) on the basis of unintentional delay, rather than a renewed petition under 37 CFR 1.137(a).

A grantable petition under 37 CFR 1.137(b) must be accompanied by: (1) the reply required to the outstanding Office action or notice, unless previously filed; (2) the petition fee as set forth in 1.17(m); (3) a statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition was unintentional; and (4) any terminal disclaimer (and fee as set forth in 1.20(d)) required pursuant to 37 CFR 1.137(d).

Receipt of the issue and publication fees is acknowledged. The duplicate charge of \$300.00 for the publication fee on October 25, 2006, will be credited to counsel's deposit account.

Further correspondence with respect to this matter should be addressed as follows:

By mail: Mail Stop Petition
 Commissioner for Patents
 P.O. Box 1450
 Alexandria, VA 22313-1450

By FAX: (571) 273-8300
 Attn: Office of Petitions

By hand: Customer Service Window
 Randolph Building
 401 Dulany Street
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Telephone inquiries related to this decision should be directed to the undersigned at (571) 272-3211.

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